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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

Chapter 11

NASH PRINTING, INC. d/b/a
SIR SPEEDY,

Case No. 10-71391

Debtor.

**AFFIDAVIT PURSUANT
TO LOCAL BANKRUPTCY
RULE 7001-4**

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STATE OF NEW YORK)
) ss.:
COUNTY OF NASSAU)

HUSSAIN BAQUERI, President of Nash Printing, Inc., d/b/a Sir Speedy (the “Debtor”),

being duly sworn, deposes and says as follows:

1. I submit this affidavit in conjunction with the filing of a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code.

2. Pursuant to Rule 1007-4 of the Local Bankruptcy Rules of the Eastern District of New York, I state as follows:

(i) The Debtor is a small business debtor within the meaning of 11 U.S.C. § 101(51D), as it is engaged in commercial or business activities and has non-contingent liquidated secured and unsecured debts of \$2,190,000 or less.

(ii) Under a Franchise Agreement dated June 9, 2003 with Sir Speedy, Inc., as franchisor, the Debtor operates, as franchisee, a Sir Speedy Printing, Copying, and Digital Networking Center, which provides products and services including graphic design, offset duplication, high-speed copying, color copying, bindery, digital services and other products and services that may be requested by a customer. The Debtor was compelled to file this Chapter 11 case primarily because of the restraint placed on the Debtor's bank accounts by judgment creditor Xerox Corporation.

Prior to the Petition Date, the Debtor's two largest clients were American Home Mortgage Holdings, Inc. and/or certain of its subsidiaries and affiliates (collectively, "AHM"), and IndyMac Bank, F.S.B. ("IndyMac"). Together, AHM and IndyMac were responsible for 70% of the Debtor's business. Both AHM and IndyMac were in the business of originating, servicing and sale of mortgage loans, as well as investment in mortgage loans and mortgage-backed securities resulting from the securitization of residential mortgage loans.

On August 6, 2007, AHM and certain of its affiliates and subsidiaries, filed voluntary Chapter 11 petitions in the United States Bankruptcy Court for the District of Delaware. At the time of such filings, AHM owed the Debtor \$515,134.51.

On July 11, 2008, IndyMac Bank was closed by the Office of Thrift Supervision and the Federal Deposit Insurance Corporation ("FDIC") was named Conservator. On March 10, 2009, the FDIC completed to sale of IndyMac to OneWest Bank, F.S.B., a newly formed entity created for the purpose of purchasing the deposits of IndyMac. At the time the Office of Thrift Supervision closed IndyMac, it owed the Debtor approximately \$137,000.00.

Due to the Debtor's inability to collect these substantial accounts receivable from AHM and IndyMac, the Debtor suffered from severe cash flow problems resulting in the Debtor's

inability to pay its debts as they became due. Consequently, certain creditors of the Debtor commenced collection actions against the Debtor in the Supreme Court of the State of New York, County of Nassau, as follows:

- (a) *Xerox Corporation v. Nash Printing, Inc., d/b/a/ Sir Speedy*, Index No. 09-01327
- (b) *Yellow Book Sales and Distribution Company, Inc. v. Hussain Baqueri, Noor Baqueri, Ali M. Baqueri, Nash Printing, Inc., d/b/a Sir Speedy, and Nash Graphics, Inc., d/b/a Sir Speedy*, Index No. 09/8745.

On or about January 27, 2010, Xerox obtained a judgment against the Debtor in the amount of approximately \$170,000.00 and attempted to execute upon the Debtor's bank accounts, thereby forcing the Debtor to file for relief under Chapter 11. By virtue of the automatic stay provided for in 11 U.S.C. § 362(a), Xerox is precluded from taking action against the Debtor to collect the judgment debt.

- (iii) Not applicable.
- (iv) No committee was organized prior to the Order for relief in this Chapter 11 case.
- (v) A list of the Twenty Largest Unsecured Creditors, excluding insiders, is attached to the Petition.

(vi) The following are the names and addresses of the holders of all of the secured claims against the Debtor, and the amounts of their claims: TD Bank, N.A., 2059 Springdale Road, Cherry Hill, NJ 08003, with a claim of approximately \$300,000.00 (disputed), secured by a blanket security interest in all of the assets of the Debtor; Oce Financial Services, 5450 Cumberland Avenue, Chicago, IL 60656, with a claim of approximately \$55,000.00 (disputed), secured by one (1) Oce 6250 Black and White Digital Copier; Xerox Corporation, c/o Foster & Wolkind, P.C., 80 Fifth Avenue, Ste. 1401, New York, NY 10011, with a claim of \$169,556.73

(disputed); and Rhinebeck Savings Bank, 2 Jefferson Plaza, Poughkeepsie, NY 12601, with a claim of approximately \$9,181.00, secured by a 2007 Dodge Caravan (disputed).

(vii) The Debtor has assets, consisting of bank accounts, accounts receivable, franchise agreement with Sir Speedy, a motor vehicle, and office equipment and furnishings, totaling \$912,348.05, and liabilities of \$1,383,562.74, as set forth in the Debtor's Summary of Schedules filed with the petition.

(viii) Hussain Baqueri owns 100% of the stock of the Debtor and is its President.

(ix) Not applicable.

(x) The Debtor leases premises at 136 Manetto Hill Road, Plainview, NY 11803 from Koukoulas Enterprises, LLC, 31-57 23rd Street, Astoria, NY 11106.

(xi) The location of the Debtor's significant assets is 136 Manetto Hill Road, Plainview, NY 11803. The books and records of the companies are available c/o Glass & Shiechel, 110 Stewart Avenue, Hicksville, NY 11801, which acts as the Debtor's accountants.

(xii) See item 4 of the Debtor's Statement of Financial Affairs for a description of the actions pending against the Debtor.

(xiii) Hussain Baqueri is the President and sole stockholder of the Debtor.

(xiv) The estimated amount of the Debtor's weekly payroll and payroll expenses (exclusive of officers, directors and stockholders) for the 30 day period following the filing of the petition is \$43,232.00.

(xv) The Debtor does not propose to pay Hussain Baqueri any compensation for the 30 day period following the filing of the Chapter 11 petition.

(xvi) A schedule setting forth the Debtor's monthly budget for the next 30 days is annexed hereto as Schedule "A."

(xvii) The Debtor proposes to facilitate its rehabilitation process by the infusion of additional capital, consolidation of its operations with an affiliated entity called Nash Graphics, Inc., d/b/a Sir Speedy, located in Huntington, NY, which consolidation will enable the Debtor to eliminate certain employees and reduce its payroll, and to aggressively pursue its accounts receivable. In addition, the Debtor intends to increase its marketing efforts to increase its customer base.

/s/Hussain Baqueri
HUSSAIN BAQUERI

Sworn to before me this
4th day of March, 2010

/s/Frances Hanson
Notary Public, State of New York
No. 4945561
Qualified in Nassau County
Commission Expires January 27, 2011

EXHIBIT A

Monthly Budget

Item	Description	Deliveries	Monthly Budget
1	Paper	20	13,500
2	Outsourcing		
	4Over		6,000
	A Quick		4,520
	BCE		1,400
	BCT		1,700
	Birchcraft		250
	Cab Plastics		250
	Carlson Craft		600
	Discount Labels		250
	Folder Express		600
	Lable Works		600
	Laminade		800
	Navitor		3,800
	Origin		2,000
	Sandwire		1,600
	Short Run		2,000
3	OCE		
	Copier Usage		700
	Color Copier maint.		4,950
	Large Format printer		300
4	Payroll		29,696
	Payroll Taxes due	4 weeks	13,536
5	Van		
	Rhieneback		386
6	Rent		
	Rent		7,600
7	Disposals		205
8	Utilities		
	Verizon		567
	LIPA		1,078
	National Grid		295
			295
9	Tel/Internet/Fax		
	Optonline		150
10	Insurance		
	Utica		3,695
	Emblem		759
11	TD Bank Interest		1,776
12	Miscellaneous Expenses		1,200
Total			107,059